

# Exhibit D

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

NOLA, LLC,	)	No. 05 B 16682
SOUTH BEACH SECURITIES, INC.,	)	05 B 16679
	)	Chicago, Illinois
	)	10:00 a.m.
Debtor.	)	August 24, 2005

TRANSCRIPT OF PROCEEDINGS BEFORE THE  
HONORABLE A. BENJAMIN GOLDBERG

APPEARANCES:

For the Debtors:	Mr. Mark Leipold;
For Wachovia :	Mr. Brian Schwartz; Mr. Chris Griesmeyer;
For the U.S. Trustee:	Mr. Cameron Gulden;

Court Reporter:	Amy Doolin, CSR, RPR U.S. Courthouse 219 South Dearborn Room 661 Chicago, IL 60604.
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1 THE CLERK: South Beach Securities and  
2 NOLA.

3 MR. SCHWARTZ: Good morning, Your  
4 Honor. Bryan Schwartz and Chris Griesmeyer on behalf  
5 of Wachovia.

6 MR. GRIESMEYER: Good morning, Your  
7 Honor.

8 MR. GULDEN: Good morning, Judge.  
9 Cameron Gulden on behalf of the United States  
10 Trustee.

11 MR. LEIPOLD: Good morning, Your  
12 Honor. Mark Leipold, proposed counsel for South  
13 Beach and NOLA.

14 THE COURT: Good morning. These  
15 Chapter 11 cases are before the court pursuant to the  
16 order I issued on July 27th. In that order I made a  
17 preliminary finding that the cases should be  
18 dismissed under Section 1112(b) --

19 MR. SCHWARTZ: Can I make a request  
20 before you rule or is it too late?

21 THE COURT: It's probably too late,  
22 but go ahead.

23 MR. SCHWARTZ: I would like to get 45  
24 days.

25 THE COURT: To do what?

1 MR. SCHWARTZ: Well, assuming that  
2 Your Honor would appoint a trustee, we've done an  
3 investigation of a lot of cases that have been filed  
4 by this group of debtors. We've met with the U.S.  
5 Trustee. To fund this case is going to cost us a lot  
6 of money. We need to go back to our client to talk  
7 about like a million dollars to fund going after this  
8 debtor.

9 THE COURT: I don't think that's going  
10 to be necessary.

11 In my July 27th order, I made a  
12 preliminary finding that the cases should be  
13 dismissed under Section 1112(b) and set the matter  
14 for briefing on an expedited schedule.

15 The debtors filed a consolidated  
16 response opposing dismissal. The U.S. Trustee filed  
17 a response supporting dismissal. Wachovia  
18 Securities, a creditor of NOLA, filed a response  
19 acknowledging the dismissal was probably warranted,  
20 but asking the court to appoint a Chapter 11 trustee  
21 for NOLA. Wachovia previously filed a separate  
22 motion to appoint a trustee in the NOLA bankruptcy.  
23 That motion is pending. Also pending is the the  
24 debtors' application to retain counsel in their  
25 respective cases.

1           The facts are laid out in the parties'  
2 papers and appear to be undisputed. To the extent  
3 there are disputes, the disputes are not material.  
4 No party has requested an evidentiary hearing and no  
5 hearing is necessary in my view.

6           Briefly -- if you care to sit down,  
7 feel free.

8           Briefly, both South Beach and NOLA are  
9 part of an elaborate network of corporations and  
10 other business entities orbiting around Leon  
11 Greenblatt, a Chicago businessman. According to  
12 Wachovia, these corporations are mostly shells  
13 through which Greenblatt and his associates have  
14 engaged in various investment activities of  
15 questionable legitimacy.

16           One of these activities was the  
17 attempted acquisition in roughly 1999 of a  
18 controlling interest in the publicly traded  
19 securities of Health Risk Management Incorporated or  
20 HRM. Wachovia's papers both here and in connection  
21 with the earlier motion of debtor to retain counsel  
22 recite in detail the nature of Greenblatt's  
23 activities relating to HRM and the fallout from those  
24 activities. The accuracy of that description might  
25 be one the debtors here would dispute, although so

1 far they have not seen fit to do so.

2           There is no dispute, however, that  
3 many of Greenblatt's Corporations are indeed shells,  
4 that the HRM stock is currently worthless, and that  
5 Greenblatt's activities related to HRM precipitated  
6 an avalanche of litigation in assorted federal and  
7 state courts, including the district court for the  
8 Northern District of Illinois.

9           Six Greenblatt entities are now in  
10 bankruptcy, with five of the cases pending in this  
11 district. In addition to the debtors here, Chapter  
12 11 petitions were previously filed by Greenblatt  
13 entities Repurchase Corporation, Telegraph  
14 Properties, LP, and Resource Technology Corporation.  
15 None of these bankruptcies has been successful.

16           In the Repurchase Corporation  
17 bankruptcy, confirmation of the plan was denied and  
18 the case was recently dismissed. In the Telegraph  
19 Properties bankruptcy, a Chapter 11 trustee was  
20 appointed who then had the case converted to Chapter  
21 7. In the Resource Technology bankruptcy, a Chapter  
22 11 trustee was appointed and the trustee has now  
23 moved to dismiss the case.

24           Wachovia contends with some  
25 justification that the bankruptcy court has become

1 the unwitting tool of Greenblatt, who is using the  
2 court to, quote, "legitimize his fraud," unquote.  
3 South Beach and NOLA, the debtors in the cases here,  
4 are two more corporate shells, and their bankruptcy  
5 filings are just as questionable. NOLA is a limited  
6 liability company, the members of which are  
7 Greenblatt and two of his business associates. NOLA  
8 is managed, if that term has meaning here, by  
9 Teletec, Incorporated, an Illinois corporation, that  
10 Wachovia asserts is yet another Greenblatt entity.

11 Management has no meaning here because  
12 according to NOLA's schedules and Greenblatt's  
13 testimony at the meeting of creditors, NOLA conducts  
14 no business, has no employees, and never has had any  
15 employees, has no income, and has no assets, except  
16 for HRM stock and South Beach stock, all of it  
17 worthless.

18 On the other hand, NOLA lists  
19 unsecured debts of \$7 million, including Wachovia's  
20 disputed \$1.1 million claim, and the claim of South  
21 Beach for precisely 3 million, 297 -- \$489,000 (sic).  
22 South Beach in turn claims to be a Mississippi  
23 corporation formed in 1984. South Beach is a  
24 wholly-owned subsidiary of NOLA. South Beach's  
25 schedules disclose that it too conducts no business,

1 has no employees, has no income, and has no assets,  
2 again, other than worthless HRM stock.

3 In the consolidated response, South  
4 Beach asserts that the schedules and statement of  
5 financial affairs it filed under oath  
6 notwithstanding, it owns the \$3,297,489 claim  
7 mentioned in NOLA's schedules, as well as a minimal  
8 interest in the stock of something called Movie Star,  
9 Incorporated, the nature of which is not revealed.  
10 Most important, South Beach now asserts that it owns  
11 net operating losses, or NOLs, related to the  
12 acquisition of HRM stock in the amount of \$3,297,489.

13 South Beach also lists at its sole  
14 creditor a company called Scatter Corporation,  
15 another Greenblatt entity, which South Beach  
16 coincidentally owes \$3,297,489. The debtors assert  
17 that South Beach's NOLs and South Beach's claim  
18 against NOLA are the result of \$3,297,489 that South  
19 Beach loaned to NOLA for the purpose of acquiring HRM  
20 stock. It appears that Scatter Corporation loaned  
21 the same funds to South Beach. Where Scatter  
22 Corporation got the funds has not been explained, nor  
23 has any explanation been offered about what  
24 legitimate purpose was served by funneling this  
25 substantial sum through a series of shell



1 corporations.

2           The question now before the court is  
3 whether the bankruptcies should be dismissed because  
4 they were not filed in good faith. Section 1112(b)  
5 of the Bankruptcy Code permits the court to dismiss a  
6 Chapter 11 case for, quote, "cause" unquote,  
7 including several enumerated reasons. Although lack  
8 of good faith is not specifically listed, there is no  
9 doubt that Chapter 11 bankruptcies are subject to  
10 dismissal unless filed in good faith. NMSBPCSLDHB,  
11 L.P., v. Integrated Telecom Express Incorporated, in  
12 re Integrated Telecom Express Incorporated, 384 F.3d  
13 108, 118, Third Circuit 2004. In re Liptak, 304 B.R.  
14 820, 827, Bankruptcy Court, Northern District of  
15 Illinois 2004.

16           In this circuit the burden of proving  
17 lack of good faith rests with the party seeking  
18 dismissal, here the U.S. Trustee's, who has accepted  
19 the invitation I issued in the July 27 order. In  
20 Woodbrook Associates, 19 F.3d 312, 317, Seventh  
21 Circuit 1994. Although the definition of good faith  
22 is admittedly problematic, it is not, as the debtor's  
23 here assert, quote, "one of the most illusive  
24 concepts in Chapter 11," unquote.

25           As the court in Liptak correctly

1 observed, focusing on terms like good faith or bad  
2 faith is, quote, "misleading to some degree,"  
3 unquote. Liptak, 304 B.R. at 828.

4           The good faith question really boils  
5 down to whether, quote, "the debtor has presented a  
6 legitimate reorganizational objective within the  
7 scope of the Bankruptcy Code," unquote. Id. See also  
8 Integrated Telecom, 348 F.3d at 119, 120.

9           The question, in other words, is  
10 whether the case has been filed to accomplish one of  
11 the two basic purposes of Chapter 11. Quote,  
12 "preserving going concerns," unquote, and, quote,  
13 "maximizing property available to satisfy creditors,"  
14 unquote. Integrated Telecom, 384 F.3d at 119.

15           In my view, neither case here will  
16 accomplish, indeed neither of these cases is even  
17 arguably intended to accomplish either of these two  
18 purposes. The deficiency is most obvious with NOLA.  
19 As the U.S. Trustee observes, NOLA is not now and  
20 apparently never has been a going concern.  
21 Therefore, the company has no going concern value to  
22 preserve.

23           NOLA does not deny this in the  
24 debtor's consolidated response. It insists, however,  
25 that it could, quote, "effectuate a plan," unquote,

1 although that plan, quote, "would be a liquidating  
2 plan of reorganization," unquote.

3           According to NOLA, the plan will  
4 propose a sale of, quote, "all of NOLA's remaining  
5 assets to the highest bidder," unquote. The problem  
6 with this proposal, though, is that NOLA's schedules  
7 disclose only liabilities. The company has no  
8 assets. And with nothing to sell, neither NOLA nor  
9 its creditors has anything to gain from a sale or a  
10 bankruptcy. The Chapter 11 case cannot maximize  
11 value to creditors if there is no value to maximize.  
12 Ex nihilo, nihil fit, as philosophers say.

13           South Beach's situation is more  
14 complex. Like NOLA, South Beach has no business  
15 operation or employees and is not a going concern.  
16 Preserving the going concern value of South Beach  
17 then is not an option. But there is still the  
18 possibility of maximizing property available to the  
19 creditors. Unlike NOLA, South Beach seems to have an  
20 asset. Although they do not appear in the schedules,  
21 South Beach contends that it has \$3,289,497 in NOLs.

22           Moreover, South Beach argues that it  
23 cannot use the NOLs since it has no income to offset  
24 and is unlikely to ever have any. It cannot transfer  
25 the NOLs, the NOLs being untransferable. And under

1 the Internal Revenue Code, it stands to lose the NOLs  
2 if the company is sold outside of Chapter 11. See 26  
3 U.S. Code, section 172, 382. See generally in re  
4 Coram Healthcare Corporation, 315 B.R. 321, 341,  
5 Bankruptcy Court District of Delaware 2004.

6           A sale of South Beach in Chapter 11  
7 would preserve the NOLs so the argument goes, and  
8 will maximize the value of those assets. The problem  
9 with this theory is that the idea of maximizing  
10 assets is to maximize them to satisfy creditors.  
11 Integrated Telecom, 384 F.3d at 119, meaning in most  
12 cases that some third party with whom the debtor has  
13 done business and has not been paid. The object of  
14 the proposed plan here, however, is not to pay  
15 third-party creditors at all. The object, as the  
16 debtors admit in their response, is to allow  
17 Scattered Corporation, yet another Greenblatt entity,  
18 and a related corporation, to recover and use the  
19 NOLs itself.

20           The proposed plan tendered with the  
21 response has two classes, Scattered Corporation and  
22 everyone else. Scattered receives stock in the  
23 reorganized debtor. Everyone else receives nothing.  
24 To this the debtors would doubtlessly join that  
25 Scattered is the only creditor of South Beach. No

1 other creditor of South Beach at least would be  
2 shorted. Perhaps not. But Scattered is still a  
3 related Greenblatt entity, and the goal here is  
4 plainly the larger Greenblatt purpose of  
5 resuscitating his empire by putting the NOLs where  
6 they can be used to the greatest extent possible.

7           In business cases it is worth  
8 repeating the purposes of Chapter 11 are to preserve  
9 the going concern value of businesses where that  
10 value can be preserved, and to maximize the value of  
11 assets for the benefit of creditors when the business  
12 cannot be preserved as a going concern. The purpose  
13 is not to permit businesses that are dead in the  
14 water to maximize the value of their own assets for  
15 their own benefit or the benefit of related entities.

16           In Integrated Telecom, the Third  
17 Circuit reversed the decision of lower courts not to  
18 dismiss a Chapter 11 case filed by a debtor that was  
19 out of business, had no going concern value, and  
20 filed the case strictly to limit a particular  
21 creditor's claim under Section 502(b)(6). Chapter  
22 11, the court concluded, is for businesses in  
23 financial distress. And a Chapter 11 petition by an  
24 entity that is not in distress merely to, quote,  
25 "take advantage," unquote, of, quote, "singular

1 provision," unquote, of the law, is not filed in good  
2 faith. See Integrated Telecom, 384 F.3d at 127 to  
3 28. Like the Integrated Telecom case, the South  
4 Beach is not a valid bankruptcy. It is an internal  
5 corporate tax gambit by an entity that is not now and  
6 never was a going concern seeking to take advantage  
7 of the court and the Internal Revenue Code. Both the  
8 NOLA and South Beach cases, in short, were not filed  
9 in good faith and are subject to dismissal under  
10 Section 1112(b).

11           The question remains whether  
12 appointment of a Chapter 11 trustee is appropriate  
13 under Section 1104(a) as preferable to dismissal.  
14 The question is relevant only to NOLA, since only  
15 Wachovia has moved for appointment of a trustee and  
16 has done so only in NOLA's case. Under Section  
17 1104(a)(1), a trustee may be appointed in a Chapter  
18 11 case for, quote, "cause, including fraud,  
19 dishonesty, incompetence or gross mismanagement of  
20 the affairs of the debtor either before or after  
21 commencement of the case or similar cause," unquote.

22           Under Section 1104(a)(2) a trustee may  
23 be appointed when the court believes that the  
24 appointment is, quote, "in the interest of creditors,  
25 any equity security holders and other interests of

1 the estate," unquote.

2           Although the issue is probably open to  
3 debate, I conclude that appointment of a trustee is  
4 not appropriate for essentially the same reasons that  
5 the NOLA case should be dismissed. Typically a  
6 Chapter 11 trustee is appointed to take over the  
7 debtor's operations when the debtor in possession has  
8 proved too venal or inept to be left in charge.  
9 Here, however, NOLA has no operation for a Chapter 11  
10 trustee to run. A Chapter 11 trustee's duties often  
11 include liquidating assets for the benefit of  
12 creditors. Here, however, NOLA has no assets to  
13 liquidate.

14           It may be that NOLA transferred away  
15 assets that a Chapter 11 trustee could recover. But  
16 no evidence has been offered that NOLA made any such  
17 transfers. Although Wachovia claims it has, quote,  
18 "good reason to believe that there are numerous  
19 claims that can be asserted against Mr. Greenblatt,  
20 his colleagues and his related entities," unquote, it  
21 fails to say what that reason might be. A Chapter 11  
22 trustee should not be appointed based merely on  
23 speculation.

24           Finally, there is the question of how  
25 a Chapter 11 trustee would be paid. Ordinarily the

1 trustee is compensated from the assets of the estate.  
2 But the NOLA estate has no assets and so there is no  
3 way to pay a trustee should one be appointed.

4 Recognizing the problem, Wachovia has offered to foot  
5 the bill. But there is something unsettling about a  
6 Chapter 11 trustee beholden to a single creditor for  
7 his compensation. Although theoretically a creditor  
8 might finance the work of a trustee through an  
9 unsecured loan to the estate, even that would not  
10 shield the trustee sufficiently from the creditor to  
11 ensure his independence.

12               The appointment of a trustee here  
13 would not serve Wachovia's purpose in any event.  
14 Wachovia urges that a trustee be appointed, quote,  
15 "to discover the true nature and extent of  
16 Mr. Greenblatt's fraudulent shell game," unquote.  
17 That, however, would not be the trustee's job. The  
18 trustee would be appointed as trustee of NOLA, not  
19 trustee of Greenblatt. As I remarked when Wachovia  
20 initially brought its motion, a trustee is not the  
21 bankruptcy version of the Lone Ranger. He does not  
22 criss-cross the countryside rooting out evil. A NOLA  
23 trustee's sole concern would be NOLA's bankruptcy  
24 estate, and he could investigate Greenblatt's  
25 allegedly, quote, "fraudulent shell game," unquote,



1 only to the extent it would benefit the estate and  
2 its creditors in their capacities as such.

3           Wachovia's concern that Greenblatt is  
4 playing different courts off against each other is  
5 understandable. So is Wachovia's desire to have a  
6 single officer perform a global investigation of  
7 Greenblatt's activities under the auspices of a  
8 single forum. Unfortunately, a Chapter 11 trustee is  
9 not the officer and this is not the forum.

10           So for these reasons the motion of  
11 Wachovia Securities for appointment of a Chapter 11  
12 trustee in the NOLA bankruptcy is denied, and the  
13 bankruptcy cases of South Beach Securities,  
14 Incorporated, and NOLA, LLC, are dismissed pursuant  
15 to Section 1112(b) of the Bankruptcy Code, the  
16 applications to employ counsel are denied as moot.

17           MR. LEIPOLD: Your Honor, there was  
18 one mistake. The -- at least the schedules I have,  
19 is that the NOLA ownership -- I don't think this  
20 changes your opinion. I just wanted it to be correct  
21 for the record. The ownership is Greenblatt and his  
22 colleague's father, if you want to be technical about  
23 it. If the court wanted to make the conclusion,  
24 otherwise I'm just trying to correct the record.

25           THE COURT: I don't think it changes

1 the result.

2 MR. LEIPOLD: No, I don't think it  
3 changes the result.

4 THE COURT: The family relationships  
5 of these gentlemen are not in the papers in any  
6 event.

7 MR. LEIPOLD: I know, but when you're  
8 talking about Greenblatt entities, I don't have  
9 information on that. The court said that NOLA had  
10 nothing to sell. I think both the schedules and  
11 the -- whether it is worth anything is the other  
12 question. The only asset it did have was the stock  
13 of South Beach.

14 THE COURT: But that's valued in the  
15 schedules as zero.

16 MR. LEIPOLD: But the scheduled value  
17 is just a base value. I mean, the question is is  
18 there somebody willing to pay for it? And what we've  
19 indicated both at the 341 meetings and other meetings  
20 is that in fact there was people, or at least a  
21 Greenblatt entity was interested in buying the stock.  
22 I am not trying to dissuade the court here, Your  
23 Honor.

24 THE COURT: No.

25 MR. LEIPOLD: What I'm trying to do

1 is what -- what troubles me -- the other thing that I  
2 guess troubles me is there was a statement made that  
3 well there is all these accusations and they haven't  
4 been -- with respect to all of these other entities.  
5 Well, those other entities aren't this case. I mean,  
6 my job wasn't to try to have an evidentiary hearing  
7 on the entire Greenblatt empire. And if that's what  
8 this court was looking for, I would be glad to do  
9 that.

10 THE COURT: If I wanted to have that  
11 kind of a hearing, I would appoint a trustee and we  
12 would do it. But that's not what we're going to do.  
13 That's not what it is about. I said from the start  
14 that this seemed to me to be something that -- there  
15 seemed to be no legitimate reason for this  
16 bankruptcy. And the taxing maneuver that you want to  
17 perform may be a legitimate maneuver as tax law is  
18 concerned, but I don't believe it is a legitimate use  
19 of Chapter 11. And the whole thing here strikes me  
20 as highly artificial. And I think that the  
21 Integrated Telecom case takes --

22 MR. LEIPOLD: I understand Integrated  
23 Telecom, Your Honor. And I'm not -- again, I'm  
24 not -- what concerned me was I wanted to make sure  
25 that the record was clear. So...

1 THE COURT: Good enough.

2 MR. SCHWARTZ: Do you have copies of  
3 the written opinion?

4 THE COURT: No. You can request a  
5 transcript if you would like from the court reporter.

6 MR. SCHWARTZ: Okay. Thank you.

7 THE COURT: There will be an order  
8 consistent with my ruling entered today.

9 MR. SCHWARTZ: Incorporating a  
10 transcript, not the actual written order?

11 THE COURT: It will simply say for the  
12 reasons stated on the record.

13 MR. SCHWARTZ: Okay. Thank you, Your  
14 Honor.

15 (Which were all the proceedings had in  
16 the above-entitled cause, August 24,  
17 2005, 10:00 a.m.)

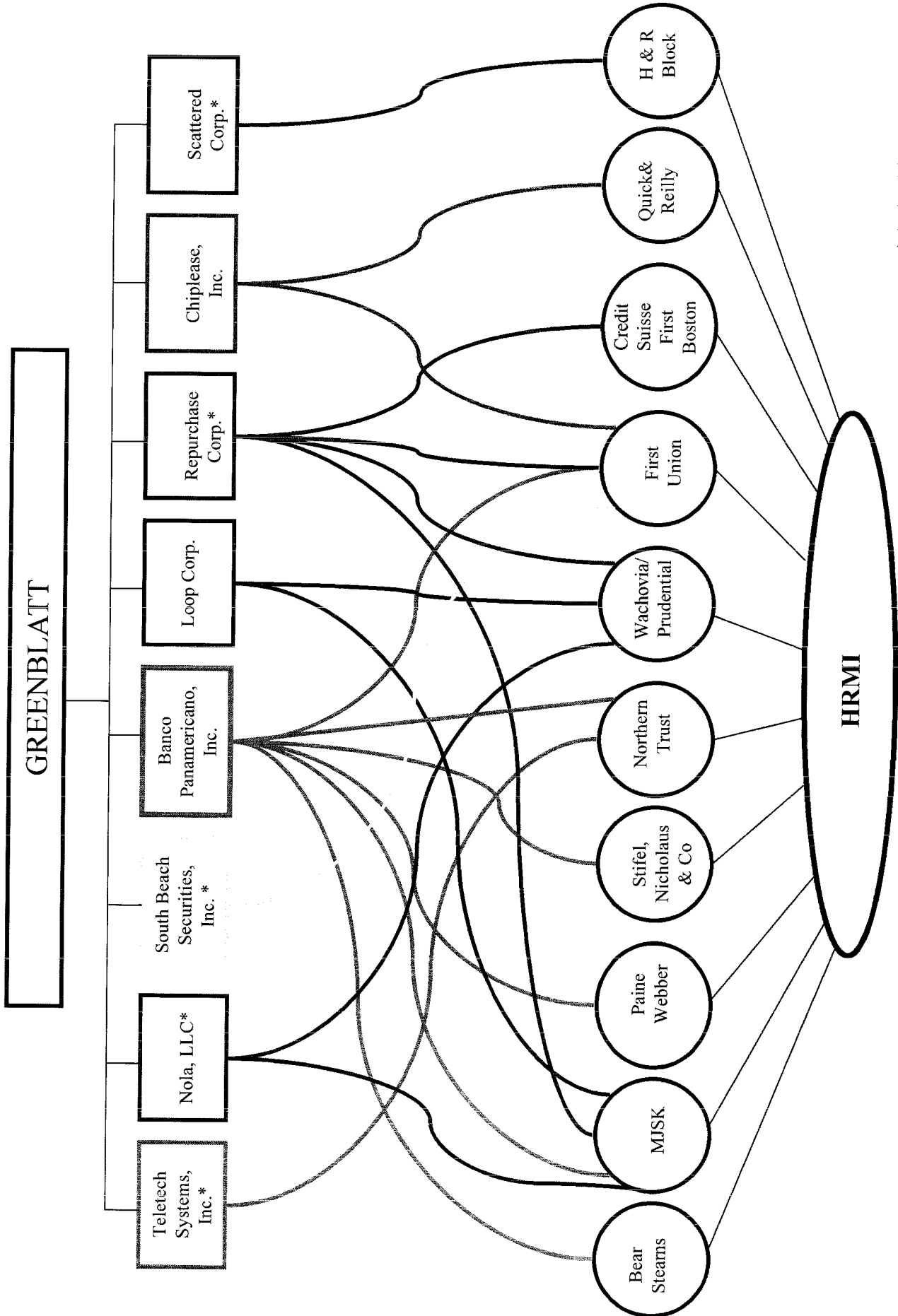
18 I, AMY B. DOOLIN, CSR, RPR, DO HEREBY CERTIFY  
19 THAT THE FOREGOING IS A TRUE AND ACCURATE  
20 TRANSCRIPT OF PROCEEDINGS HAD IN THE ABOVE-  
21 ENTITLED CAUSE.  
22  
23  
24  
25

# Exhibit E



# Exhibit F

# ACQUISITION OF HRMI STOCK

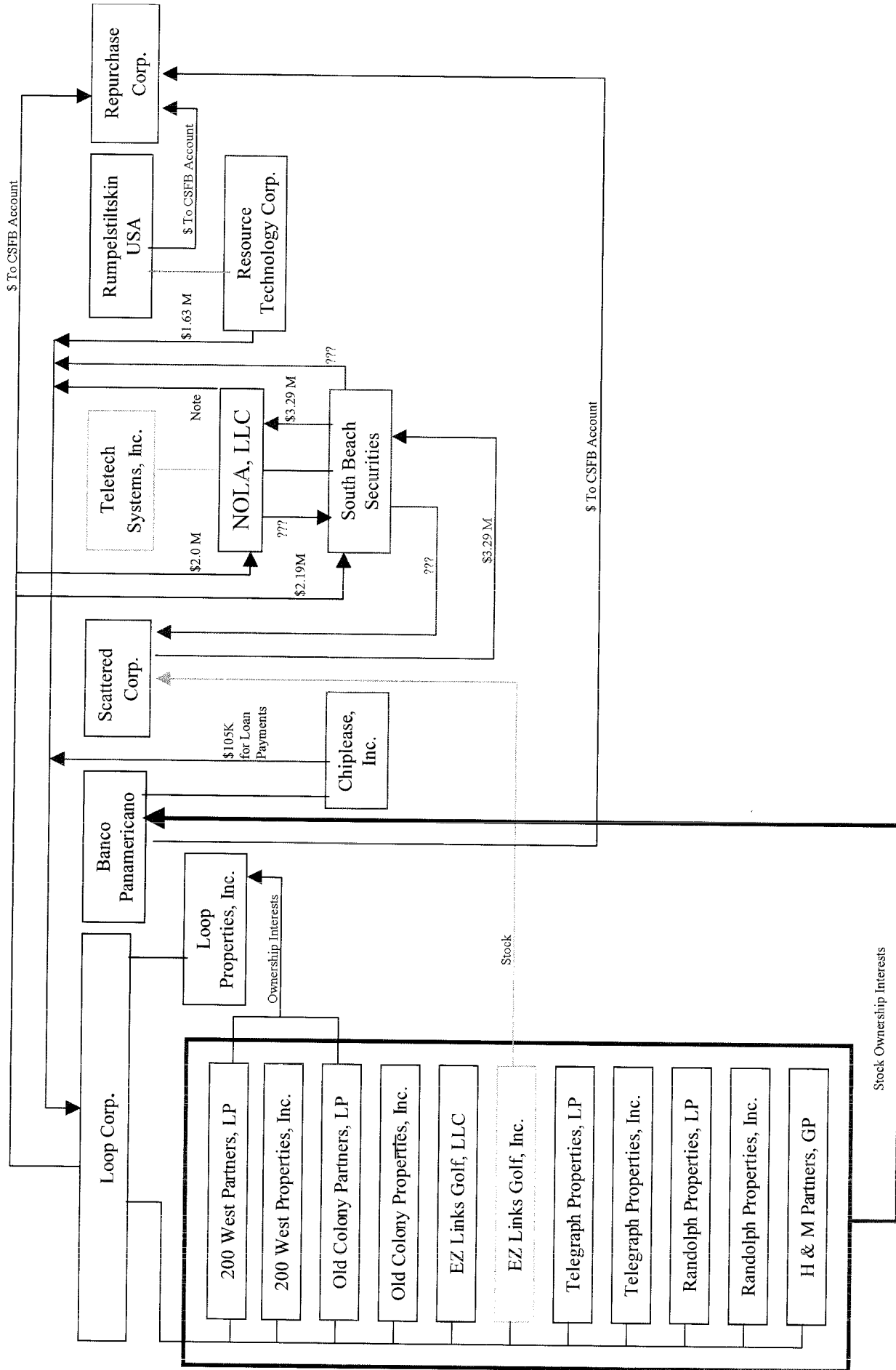


\* Omitted from Schedule 13D's



# Exhibit G

# ASSET TRANSFERS



# Exhibit H

In re NOLA LLCCase No. 05-16882

Debtor

**SCHEDULE A. REAL PROPERTY**

Except as directed below, list all real property in which the debtor has any legal, equitable, or future interest, including all property owned as a tenant in common, community property, or in which the debtor has a life estate. Include any property in which the debtor holds rights and powers exercisable for the debtor's own benefit. If the debtor is married, state whether husband, wife, or both own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor holds no interest in real property, write "None" under "Description and Location of Property."

Do not include interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If an entity claims to have a lien or hold a secured interest in any property, state the amount of the secured claim. (See Schedule D.) If no entity claims to hold a secured interest in the property, write "None" in the column labeled "Amount of Secured Claim."

If the debtor is an individual or if a joint petition is filed, state the amount of any exemption claimed in the property only in Schedule C - Property Claimed as Exempt.

Description and Location of Property	Nature of Debtor's Interest in Property	Husband, Wife, Joint, or Community	Current Market Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption	Amount of Secured Claim
--------------------------------------	-----------------------------------------	------------------------------------	---------------------------------------------------------------------------------------------------------	-------------------------

None

**FILED**  
UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS

JUN 01 2005

KENNETH S. GARDNER, CLERK  
PS REP. - DDS

Sub-Total &gt; 0.00 (Total of this page)

Total &gt; 0.00

(Report also on Summary of Schedules)

0 continuation sheets attached to the Schedule of Real Property

In re NOLA LLCCase No. 05-16682

Debtor

**SCHEDULE B. PERSONAL PROPERTY**

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories, place an "X" in the appropriate position in the column labeled "None." If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether husband, wife, or both own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor is an individual or a joint petition is filed, state the amount of any exemptions claimed only in Schedule C - Property Claimed as Exempt.

Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property."

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Market Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
1. Cash on hand	X			
2. Checking, savings or other financial accounts, certificates of deposit, or shares in banks, savings and loan, thrift, building and loan, and homestead associations, or credit unions, brokerage houses, or cooperatives.	X			
3. Security deposits with public utilities, telephone companies, landlords, and others.	X			
4. Household goods and furnishings, including audio, video, and computer equipment.	X			
5. Books, pictures and other art objects, antiques, stamp, coin, record, tape, compact disc, and other collections or collectibles.	X			
6. Wearing apparel.	X			
7. Furs and jewelry.	X			
8. Firearms and sports, photographic, and other hobby equipment.	X			
9. Interests in insurance policies. Name insurance company of each policy and itemize surrender or refund value of each.	X			

**FILED**  
UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS

JUN 01 2005

KENNETH S. GARDNER, CLERK  
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Sub-Total > 0.00  
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2 continuation sheets attached to the Schedule of Personal Property

In re **NOLA LLC**Case No. **05-16682**

Debtor

### SCHEDULE B. PERSONAL PROPERTY (Continuation Sheet)

Type of Property	NONE	Description and Location of Property	Husband, Wife, Joint, or Community	Current Market Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
10. Annuities. Itemize and name each issuer.	X			
11. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans. Itemize.	X			
12. Stock and interests in incorporated and unincorporated businesses. Itemize.		All of the issued and outstanding stock of South Beach Securities, Inc.	-	0.00
		Health Risk Management, Inc.	-	0.00
13. Interests in partnerships or joint ventures. Itemize.	X			
14. Government and corporate bonds and other negotiable and nonnegotiable instruments.	X			
15. Accounts receivable.	X			
16. Alimony, maintenance, support, and property settlements to which the debtor is or may be entitled. Give particulars.	X			
17. Other liquidated debts owing debtor including tax refunds. Give particulars.	X			
18. Equitable or future interests, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in Schedule of Real Property.	X			
19. Contingent and noncontingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust.	X			

Sub-Total > **0.00**  
(Total of this page)

Sheet 1 of 2 continuation sheets attached  
to the Schedule of Personal Property

In re NOLA LLCCase No. 05-16682

Debtor

### SCHEDULE B. PERSONAL PROPERTY (Continuation Sheet)

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Market Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
20. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each.	X			
21. Patents, copyrights, and other intellectual property. Give particulars.	X			
22. Licenses, franchises, and other general intangibles. Give particulars.	X			
23. Automobiles, trucks, trailers, and other vehicles and accessories.	X			
24. Boats, motors, and accessories.	X			
25. Aircraft and accessories.	X			
26. Office equipment, furnishings, and supplies.	X			
27. Machinery, fixtures, equipment, and supplies used in business.	X			
28. Inventory.	X			
29. Animals.	X			
30. Crops - growing or harvested. Give particulars.	X			
31. Farming equipment and implements.	X			
32. Farm supplies, chemicals, and feed.	X			
33. Other personal property of any kind not already listed.	X			

Sub-Total >	0.00
(Total of this page)	
Total >	0.00

(Report also on Summary of Schedules)

Sheet 2 of 2 continuation sheets attached  
to the Schedule of Personal Property

Form 601  
2/99In re **NOLA LLC**Case No. **05-16682**

Debtor

**SCHEDULE D. CREDITORS HOLDING SECURED CLAIMS**

State the name, mailing address, including zip code and last four digits of any account number of all entities holding claims secured by property of the debtor as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. List creditors holding all types of secured interests such as judgment liens, garnishments, statutory liens, mortgages, deeds of trust, and other security interests. List creditors in alphabetical order to the extent practicable. If all secured creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor", include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether husband, wife, both of them, or the marital community may be liable on each claim by placing an "H", "W", "J", or "C" in the column labeled "Husband, Wife, Joint, or Community."

If the claim is contingent, place an "X" in the column labeled "Contingent". If the claim is unliquidated, place an "X" in the column labeled "Unliquidated". If the claim is disputed, place an "X" in the column labeled "Disputed". (You may need to place an "X" in more than one of these three columns.)

Report the total of all claims listed on this schedule in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

☐ Check this box if debtor has no creditors holding secured claims to report on this Schedule D.

CREDITOR'S NAME, AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E D E B T O R	H U S B A N D, W I F E, J O I N T, O R C O M M U N I T Y	D A T E C L A I M W A S I N C U R R E D, N A T U R E O F L I E N, A N D D E S C R I P T I O N A N D M A R K E T V A L U E O F P R O P E R T Y S U B J E C T T O L I E N	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	A M O U N T O F C L A I M W I T H O U T D E D U C T I N G V A L U E O F C O L L A T E R A L	U N S E C U R E D P O R T I O N I F A N Y
Account No.			Margin Account					
ISK Investment Svc. SIPC 1201 Elm Street, Suite 3500 Dallas, TX 75270			Health Risk Management, Inc. Securities					
			Value \$ 0.00					0.00
Account No.								
			Value \$					
Account No.								
			Value \$					
Account No.								
			Value \$					

**FILED**  
UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
JUN 01 2005  
KENNETH S. GARDNER, CLERK  
PS REP. - DDS

0 continuation sheets attached

Subtotal  
(Total of this page)

0.00

Total  
(Report on Summary of Schedules)

0.00



Form 606  
(2003)In re NOLA LLCCase No. 05-16682

Debtor

**SCHEDULE E. CREDITORS HOLDING UNSECURED PRIORITY CLAIMS**

A complete list of claims entitled to priority, listed separately by type of priority, is to be set forth on the sheets provided. Only holders of unsecured claims entitled to priority should be listed in this schedule. In the boxes provided on the attached sheets, state the name, mailing address, including zip code, and last four digits of the account number, if any, of all entities holding priority claims against the debtor or the property of the debtor, as of the date of the filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor", include the entity on the appropriate schedule of creditors, and complete Schedule H-Codebtors. If a joint petition is filed, state whether husband, wife, both of them or the marital community may be liable on each claim by placing an "H", "W", "J", or "C" in the column labeled "Husband, Wife, Joint, or Community".

If the claim is contingent, place an "X" in the column labeled "Contingent". If the claim is unliquidated, place an "X" in the column labeled "Unliquidated". If the claim is disputed, place an "X" in the column labeled "Disputed". (You may need to place an "X" in more than one of these three columns.)

Report the total of claims listed on each sheet in the box labeled "Subtotal" on each sheet. Report the total of all claims listed on this Schedule E in the box labeled "Total" on the last sheet of the completed schedule. Repeat this total also on the Summary of Schedules.

☒ Check this box if debtor has no creditors holding unsecured priority claims to report on this Schedule E.

**TYPES OF PRIORITY CLAIMS** (Check the appropriate box(es) below if claims in that category are listed on the attached sheets.)

☐ **Extensions of credit in an involuntary case**

Claims arising in the ordinary course of the debtor's business or financial affairs after the commencement of the case but before the earlier of the appointment of a trustee or the order for relief. 11 U.S.C. § 507(a)(2).

☐ **Wages, salaries, and commissions**

Wages, salaries, and commissions, including vacation, severance, and sick leave pay owing to employees and commissions owing to qualifying independent sales representatives up to \$4,925\* per person earned within 90 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507 (a)(3).

☐ **Contributions to employee benefit plans**

Money owed to employee benefit plans for services rendered within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(4).

☐ **Certain farmers and fishermen**

Claims of certain farmers and fishermen, up to \$4,925\* per farmer or fisherman, against the debtor, as provided in 11 U.S.C. § 507(a)(5).

☐ **Deposits by individuals**

Claims of individuals up to \$2,225\* for deposits for the purchase, lease, or rental of property or services for personal, family, or household use, that were not delivered or provided. 11 U.S.C. § 507(a)(6).

☐ **Alimony, Maintenance, or Support**

Claims of a spouse, former spouse, or child of the debtor for alimony, maintenance, or support, to the extent provided in 11 U.S.C. § 507(a)(7).

☐ **Taxes and Certain Other Debts Owed to Governmental Units**

Taxes, customs duties, and penalties owing to federal, state, and local governmental units as set forth in 11 U.S.C. § 507(a)(8).

☐ **Commitments to Maintain the Capital of an Insured Depository Institution**

Claims based on commitments to the FDIC, RTC, Director of the Office of Thrift Supervision, Comptroller of the Currency, or Board of Governors of the Federal Reserve System, or their predecessors or successors, to maintain the capital of an insured depository institution. 11 U.S.C. § 507(a)(9).

\*Amounts are subject to adjustment on April 1, 2007, and every three years thereafter with respect to cases commenced on or after the date of adjustment.

0 continuation sheets attached

Form 906  
(2003)In re **NOLA LLC**Case No. **05-16682**

Debtor

**SCHEDULE F. CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS**

State the name, mailing address, including zip code, and last four digits of any account number, of all entities holding unsecured claims without priority against the debtor or the property of the debtor, as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. Do not include claims listed in Schedules D and E. If all creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor", include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether husband, wife, both of them, or the marital community may be liable on each claim by placing an "H", "W", "J", or "C" in the column labeled "Husband, Wife, Joint, or Community".

If the claim is contingent, place an "X" in the column labeled "Contingent". If the claim is unliquidated, place an "X" in the column labeled "Unliquidated". If the claim is disputed, place an "X" in the column labeled "Disputed". (You may need to place an "X" in more than one of these three columns.)

Report the total of all claims listed on this schedule in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

☐ Check this box if debtor has no creditors holding unsecured claims to report on this Schedule F.

CREDITOR'S NAME, AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B T O R  H W J C	Husband, Wife, Joint, or Community	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
Account No.  Feltl & Company 10 S. Highway 169 Minneapolis, MN 55426	-		<b>FILED</b> UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF ILLINOIS  JUN 01 2005				Unknown
Account No.  James P. Stephenson, Trustee c/o Foley & Lardner LLP 11 North Clark Street, Suite 2800 Chicago, IL 60610	-		<b>KENNETH B. GARDNER, CLERK</b> <b>PG REP. - PDS</b>	X	X	X	Unknown
Account No.  ISK Investment Svc.* c/o SIPC 101 Elm Street, Suite 3500 Dallas, TX 75270	-		April-May 2001 * included any successors or assigns	X	X	X	2,479,472.56
Account No.  Robinson Curley & Clayton 600 South Wacker Drive, Suite 1700 Chicago, IL 60606	-						153,507.70
Subtotal (Total of this page)							2,632,980.26

continuation sheets attached

Form B6F - Cont.  
(2/03)32  
to re **NOLA LLC**Case No. **05-16682**

Debtor

**SCHEDULE F. CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS**  
(Continuation Sheet)

CREDITOR'S NAME, AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions.)	C O D E S O R	H W J C	Husband, Wife, Joint, or Community  DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
Account No.  South Beach Securities, Inc. 200 South Wacker, Suite 1700 Chicago, IL 60606							3,297,489.00
Account No.  Archovia Securities 10 Levenfeld Pearlstein Two North LaSalle St., Suite 1300 Chicago, IL 60602					X	X	1,098,457.90
Account No.  							
Account No.  							
Account No.  							
net no. <u>1</u> of <u>1</u> sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims			Subtotal (Total of this page)				4,395,946.90
(Report on Summary of Schedules)			Total				7,028,927.16

In re

NOLA LLC

Case No. 05-16682

Debtor

**SCHEDULE G. EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

Describe all executory contracts of any nature and all unexpired leases of real or personal property. Include any timeshare interests. State nature of debtor's interest in contract, i.e., "Purchaser," "Agent," etc. State whether debtor is the lessor or lessee of a lease. Provide the names and complete mailing addresses of all other parties to each lease or contract described.

NOTE: A party listed on this schedule will not receive notice of the filing of this case unless the party is also scheduled in the appropriate schedule of creditors.

☒ Check this box if debtor has no executory contracts or unexpired leases.

Name and Mailing Address, including Zip Code,  
of Other Parties to Lease or Contract

Description of Contract or Lease and Nature of Debtor's Interest.  
State whether lease is for nonresidential real property.  
State contract number of any government contract.

**FILED**  
UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS

JUN 01 2006

KENNETH S. GARDNER, CLERK  
PS REP. - DDS

0 continuation sheets attached to Schedule of Executory Contracts and Unexpired Leases

In re NOLA LLCCase No. 05-16682

Debtor

**SCHEDULE H. CODEBTORS**

Provide the information requested concerning any person or entity, other than a spouse in a joint case, that is also liable on any debts listed by debtor in the schedules of creditors. Include all guarantors and co-signers. In community property states, a married debtor not filing a joint case should report the name and address of the nondebtor spouse on this schedule. Include all names used by the nondebtor spouse during the six years immediately preceding the commencement of this case.

☒ Check this box if debtor has no codebtors.

NAME AND ADDRESS OF CODEBTOR

NAME AND ADDRESS OF CREDITOR

**FILED**  
UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS

JUN 01 2005

KENNETH S. GARDNER, CLERK  
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0 continuation sheets attached to Schedule of Codebtors

United States Bankruptcy Court  
Northern District of Illinois

In re NOLA LLC

Debtor(s)

Case No. 05-16682

Chapter 11

DECLARATION CONCERNING DEBTOR'S SCHEDULES

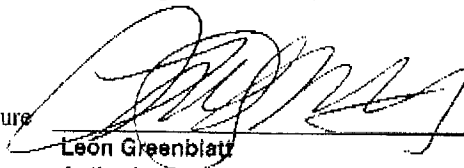
DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the Authorized agent of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing summary and schedules, consisting of 11 sheets [total shown on summary page plus 1], and that they are true and correct to the best of my knowledge, information, and belief.

Date

5/31/2005

Signature



Leon Greenblatt  
Authorized agent

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.  
18 U.S.C. §§ 152 and 3571.

**FILED**  
UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS

JUN 01 2005

KENNETH S. GARDNER, CLERK  
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Form 7  
(12/03)United States Bankruptcy Court  
Northern District of IllinoisIn re NOLA LLC

Debtor(s)

Case No. 05-16682Chapter 11

## STATEMENT OF FINANCIAL AFFAIRS

**FILED**  
UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
JUN 11 2005KENNETH S. GARDNER, CLERK  
PS REP. - DDS

This statement is to be completed by every debtor. Spouses filing a joint petition may file a single statement if both spouses are combined. If the case is filed under chapter 12 or chapter 13, a married debtor must furnish information for both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed. An individual debtor engaged in business as a sole proprietor, partner, family farmer, or self-employed professional, should provide the information requested on this statement concerning all such activities as well as the individual's personal affairs.

Questions 1 - 18 are to be completed by all debtors. Debtors that are or have been in business, as defined below, must complete Questions 19 - 25. If the answer to an applicable question is "None," mark the box labeled "None." If additional space is needed for the answer to any question, use and attach a separate sheet properly identified with the case name, case number (if known), and the number of the question.

## DEFINITIONS

**"In business."** A debtor is "in business" for the purpose of this form if the debtor is a corporation or partnership. An individual debtor is "in business" for the purpose of this form if the debtor is or has been, within the six years immediately preceding the filing of this bankruptcy case, any of the following: an officer, director, managing executive, or owner of 5 percent or more of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership; a sole proprietor or self-employed.

**"Insider."** The term "insider" includes but is not limited to: relatives of the debtor; general partners of the debtor and their relatives; corporations of which the debtor is an officer, director, or person in control; officers, directors, and any owner of 5 percent or more of the voting or equity securities of a corporate debtor and their relatives; affiliates of the debtor and insiders of such affiliates; any managing agent of the debtor. 11 U.S.C. § 101.

## 1. Income from employment or operation of business

None



State the gross amount of income the debtor has received from employment, trade, or profession, or from operation of the debtor's business from the beginning of this calendar year to the date this case was commenced. State also the gross amounts received during the two years immediately preceding this calendar year. (A debtor that maintains, or has maintained, financial records on the basis of a fiscal rather than a calendar year may report fiscal year income. Identify the beginning and ending dates of the debtor's fiscal year.) If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income of both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT

SOURCE (if more than one)

## 2. Income other than from employment or operation of business

None



State the amount of income received by the debtor other than from employment, trade, profession, or operation of the debtor's business during the two years immediately preceding the commencement of this case. Give particulars. If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income for each spouse whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT

SOURCE

**3. Payments to creditors**

None



a. List all payments on loans, installment purchases of goods or services, and other debts, aggregating more than \$600 to any creditor, made within **90 days** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS  
OF CREDITORDATES OF  
PAYMENTS

AMOUNT PAID

AMOUNT STILL  
OWING

None



b. List all payments made within **one year** immediately preceding the commencement of this case to or for the benefit of creditors who are or were insiders. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR AND  
RELATIONSHIP TO DEBTOR

DATE OF PAYMENT

AMOUNT PAID

AMOUNT STILL  
OWING**4. Suits and administrative proceedings, executions, garnishments and attachments**

None



a. List all suits and administrative proceedings to which the debtor is or was a party within **one year** immediately preceding the filing of this bankruptcy case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

CAPTION OF SUIT  
AND CASE NUMBER  
In the Matter of Arbitration  
by and between Wachovia  
Securities, Inc., claimant,  
and Loop Corp., et al.,  
respondents, New York  
Stock Exchange, Inc.,  
Department of Arbitration,  
Case No. 2003-0011927

NATURE OF PROCEEDING

COURT OR AGENCY  
AND LOCATIONSTATUS OR  
DISPOSITION

Stephenson v. Greenblatt, et  
al. (In re MJK Clearing, Inc.)  
Adv. Nos. 01-4257 and 03-  
4053 (Bankr. D. Minn. 2001)

Stephenson v. Greenblatt, et  
al. Case No. 04-C-5709  
(Bankr. N.D. Ill. Oct. 20,  
2004)

None



b. Describe all property that has been attached, garnished or seized under any legal or equitable process within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF PERSON FOR WHOSE  
BENEFIT PROPERTY WAS SEIZED

DATE OF SEIZURE

DESCRIPTION AND VALUE OF  
PROPERTY  
Certain tax credits

James P. Stephenson, Trustee  
c/o Foley & Lardner LLP  
321 North Clark Street, Suite 2800  
Chicago, IL 60610



**5. Repossessions, foreclosures and returns**

None



List all property that has been repossessed by a creditor, sold at a foreclosure sale, transferred through a deed in lieu of foreclosure or returned to the seller, within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR OR SELLER	DATE OF REPOSSESSION, FORECLOSURE SALE, TRANSFER OR RETURN	DESCRIPTION AND VALUE OF PROPERTY
-------------------------------------------	------------------------------------------------------------------	--------------------------------------

**6. Assignments and receiverships**

None



a. Describe any assignment of property for the benefit of creditors made within **120 days** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include any assignment by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF ASSIGNEE	DATE OF ASSIGNMENT	TERMS OF ASSIGNMENT OR SETTLEMENT
------------------------------	-----------------------	-----------------------------------

None



b. List all property which has been in the hands of a custodian, receiver, or court-appointed official within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CUSTODIAN	NAME AND LOCATION OF COURT CASE TITLE & NUMBER	DATE OF ORDER	DESCRIPTION AND VALUE OF PROPERTY
----------------------------------	------------------------------------------------------	------------------	--------------------------------------

**7. Gifts**

None



List all gifts or charitable contributions made within **one year** immediately preceding the commencement of this case except ordinary and usual gifts to family members aggregating less than \$200 in value per individual family member and charitable contributions aggregating less than \$100 per recipient. (Married debtors filing under chapter 12 or chapter 13 must include gifts or contributions by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF PERSON OR ORGANIZATION	RELATIONSHIP TO DEBTOR, IF ANY	DATE OF GIFT	DESCRIPTION AND VALUE OF GIFT
-----------------------------------------------	-----------------------------------	--------------	----------------------------------

**8. Losses**

None



List all losses from fire, theft, other casualty or gambling within **one year** immediately preceding the commencement of this case **or since the commencement of this case**. (Married debtors filing under chapter 12 or chapter 13 must include losses by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

DESCRIPTION AND VALUE OF PROPERTY	DESCRIPTION OF CIRCUMSTANCES AND, IF LOSS WAS COVERED IN WHOLE OR IN PART BY INSURANCE, GIVE PARTICULARS	DATE OF LOSS
--------------------------------------	----------------------------------------------------------------------------------------------------------------	--------------

**9. Payments related to debt counseling or bankruptcy**

None



List all payments made or property transferred by or on behalf of the debtor to any persons, including attorneys, for consultation concerning debt consolidation, relief under the bankruptcy law or preparation of the petition in bankruptcy within **one year** immediately preceding the commencement of this case.

NAME AND ADDRESS OF PAYEE	DATE OF PAYMENT, NAME OF PAYOR IF OTHER THAN DEBTOR	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
------------------------------	-----------------------------------------------------------	------------------------------------------------------------

**10. Other transfers**

None

- ☐ List all other property, other than property transferred in the ordinary course of the business or financial affairs of the debtor, transferred either absolutely or as security within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF TRANSFEREE,  
RELATIONSHIP TO DEBTOR

DATE

DESCRIBE PROPERTY TRANSFERRED  
AND VALUE RECEIVED

**11. Closed financial accounts**

None

- ☐ List all financial accounts and instruments held in the name of the debtor or for the benefit of the debtor which were closed, sold, or otherwise transferred within **one year** immediately preceding the commencement of this case. Include checking, savings, or other financial accounts, certificates of deposit, or other instruments; shares and share accounts held in banks, credit unions, pension funds, cooperatives, associations, brokerage houses and other financial institutions. (Married debtors filing under chapter 12 or chapter 13 must include information concerning accounts or instruments held by or for either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF INSTITUTION

TYPE OF ACCOUNT, LAST FOUR  
DIGITS OF ACCOUNT NUMBER,  
AND AMOUNT OF FINAL BALANCE

AMOUNT AND DATE OF SALE  
OR CLOSING

**12. Safe deposit boxes**

None

- ☐ List each safe deposit or other box or depository in which the debtor has or had securities, cash, or other valuables within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include boxes or depositories of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF BANK  
OR OTHER DEPOSITORY

NAMES AND ADDRESSES  
OF THOSE WITH ACCESS  
TO BOX OR DEPOSITORY

DESCRIPTION  
OF CONTENTS

DATE OF TRANSFER OR  
SURRENDER, IF ANY

**13. Setoffs**

None

- ☐ List all setoffs made by any creditor, including a bank, against a debt or deposit of the debtor within **90 days** preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR

DATE OF SETOFF

AMOUNT OF SETOFF

**14. Property held for another person**

None

- ☐ List all property owned by another person that the debtor holds or controls.

NAME AND ADDRESS OF OWNER

DESCRIPTION AND VALUE OF  
PROPERTY

LOCATION OF PROPERTY

**15. Prior address of debtor**

None

- ☐ If the debtor has moved within the **two years** immediately preceding the commencement of this case, list all premises which the debtor occupied during that period and vacated prior to the commencement of this case. If a joint petition is filed, report also any separate address of either spouse.

ADDRESS

NAME USED

DATES OF OCCUPANCY

**16. Spouses and Former Spouses**

None



If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within the **six-year period** immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state.

NAME

**17. Environmental Information.**

For the purpose of this question, the following definitions apply:

"Environmental Law" means any federal, state, or local statute or regulation regulating pollution, contamination, releases of hazardous or toxic substances, wastes or material into the air, land, soil, surface water, groundwater, or other medium, including, but not limited to, statutes or regulations regulating the cleanup of these substances, wastes, or material.

"Site" means any location, facility, or property as defined under any Environmental Law, whether or not presently or formerly owned or operated by the debtor, including, but not limited to, disposal sites.

"Hazardous Material" means anything defined as a hazardous waste, hazardous substance, toxic substance, hazardous material, pollutant, or contaminant or similar term under an Environmental Law

None



a. List the name and address of every site for which the debtor has received notice in writing by a governmental unit that it may be liable or potentially liable under or in violation of an Environmental Law. Indicate the governmental unit, the date of the notice, and, if known, the Environmental Law:

SITE NAME AND ADDRESS	NAME AND ADDRESS OF GOVERNMENTAL UNIT	DATE OF NOTICE	ENVIRONMENTAL LAW
-----------------------	---------------------------------------	----------------	-------------------

None



b. List the name and address of every site for which the debtor provided notice to a governmental unit of a release of Hazardous Material. Indicate the governmental unit to which the notice was sent and the date of the notice.

SITE NAME AND ADDRESS	NAME AND ADDRESS OF GOVERNMENTAL UNIT	DATE OF NOTICE	ENVIRONMENTAL LAW
-----------------------	---------------------------------------	----------------	-------------------

None



c. List all judicial or administrative proceedings, including settlements or orders, under any Environmental Law with respect to which the debtor is or was a party. Indicate the name and address of the governmental unit that is or was a party to the proceeding, and the docket number.

NAME AND ADDRESS OF GOVERNMENTAL UNIT	DOCKET NUMBER	STATUS OR DISPOSITION
---------------------------------------	---------------	-----------------------

**18. Nature, location and name of business**

None



a. If the debtor is an individual, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was an officer, director, partner, or managing executive of a corporation, partnership, sole proprietorship, or was a self-employed professional within the **six years** immediately preceding the commencement of this case, or in which the debtor owned 5 percent or more of the voting or equity securities within the **six years** immediately preceding the commencement of this case.

If the debtor is a partnership, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities, within the **six years** immediately preceding the commencement of this case.

If the debtor is a corporation, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities within the **six years** immediately preceding the commencement of this case.

NAME	TAXPAYER I.D. NO. (EIN)	ADDRESS	NATURE OF BUSINESS	BEGINNING AND ENDING DATES
South Beach Securities, Inc.	64-0691797	300 South Wacker, Suite 1700 Chicago, IL 60606	Investments	

- None ☒ b. Identify any business listed in response to subdivision a., above, that is "single asset real estate" as defined in 11 U.S.C. § 101.

NAME

ADDRESS

The following questions are to be completed by every debtor that is a corporation or partnership and by any individual debtor who is or has been, within the **six years** immediately preceding the commencement of this case, any of the following: an officer, director, managing executive, or owner of more than 5 percent of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership; a sole proprietor or otherwise self-employed.

*(An individual or joint debtor should complete this portion of the statement only if the debtor is or has been in business, as defined above, within the six years immediately preceding the commencement of this case. A debtor who has not been in business within those six years should go directly to the signature page.)*

**19. Books, records and financial statements**

- None ☐ a. List all bookkeepers and accountants who within the **two years** immediately preceding the filing of this bankruptcy case kept or supervised the keeping of books of account and records of the debtor.

NAME AND ADDRESS

Leon Greenblatt III

DATES SERVICES RENDERED

- None ☒ b. List all firms or individuals who within the **two years** immediately preceding the filing of this bankruptcy case have audited the books of account and records, or prepared a financial statement of the debtor.

NAME

ADDRESS

DATES SERVICES RENDERED

- None ☒ c. List all firms or individuals who at the time of the commencement of this case were in possession of the books of account and records of the debtor. If any of the books of account and records are not available, explain.

NAME

ADDRESS

- None ☒ d. List all financial institutions, creditors and other parties, including mercantile and trade agencies, to whom a financial statement was issued within the **two years** immediately preceding the commencement of this case by the debtor.

NAME AND ADDRESS

DATE ISSUED

**20. Inventories**

- None ☒ a. List the dates of the last two inventories taken of your property, the name of the person who supervised the taking of each inventory, and the dollar amount and basis of each inventory.

DATE OF INVENTORY

INVENTORY SUPERVISOR

DOLLAR AMOUNT OF INVENTORY  
(Specify cost, market or other basis)

- None ☒ b. List the name and address of the person having possession of the records of each of the two inventories reported in a., above.

DATE OF INVENTORY

NAME AND ADDRESSES OF CUSTODIAN OF INVENTORY  
RECORDS**21. Current Partners, Officers, Directors and Shareholders**

- None ☒ a. If the debtor is a partnership, list the nature and percentage of partnership interest of each member of the partnership.

NAME AND ADDRESS

NATURE OF INTEREST

PERCENTAGE OF INTEREST

- None ☐ b. If the debtor is a corporation, list all officers and directors of the corporation, and each stockholder who directly or indirectly owns, controls, or holds 5 percent or more of the voting or equity securities of the corporation.

NAME AND ADDRESS	TITLE	NATURE AND PERCENTAGE OF STOCK OWNERSHIP
Leon Greenblatt III	Manager/Authorized Agent	
Andrew Jahelka	Owner	30%
James Nichols	Owner	20%
Leon Greenblatt II		50%

## 22. Former partners, officers, directors and shareholders

- None ☒ a. If the debtor is a partnership, list each member who withdrew from the partnership within **one year** immediately preceding the commencement of this case.

NAME	ADDRESS	DATE OF WITHDRAWAL
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- None ☐ b. If the debtor is a corporation, list all officers, or directors whose relationship with the corporation terminated within **one year** immediately preceding the commencement of this case.

NAME AND ADDRESS	TITLE	DATE OF TERMINATION
None		

## 23. Withdrawals from a partnership or distributions by a corporation

- None ☒ If the debtor is a partnership or corporation, list all withdrawals or distributions credited or given to an insider, including compensation in any form, bonuses, loans, stock redemptions, options exercised and any other perquisite during **one year** immediately preceding the commencement of this case.

NAME & ADDRESS OF RECIPIENT, RELATIONSHIP TO DEBTOR	DATE AND PURPOSE OF WITHDRAWAL	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
-----------------------------------------------------	--------------------------------	------------------------------------------------------

## 24. Tax Consolidation Group.

- None ☒ If the debtor is a corporation, list the name and federal taxpayer identification number of the parent corporation of any consolidated group for tax purposes of which the debtor has been a member at any time within the **six-year period** immediately preceding the commencement of the case.

NAME OF PARENT CORPORATION	TAXPAYER IDENTIFICATION NUMBER
----------------------------	--------------------------------

## 25. Pension Funds.

- None ☒ If the debtor is not an individual, list the name and federal taxpayer identification number of any pension fund to which the debtor, as an employer, has been responsible for contributing at any time within the **six-year period** immediately preceding the commencement of the case.

NAME OF PENSION FUND	TAXPAYER IDENTIFICATION NUMBER
----------------------	--------------------------------

**DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP**

I declare under penalty of perjury that I have read the answers contained in the foregoing statement of financial affairs and any attachments thereto and that they are true and correct to the best of my knowledge, information and belief.

Date

5/31/2005

Signature



**Leon Greenblatt**  
**Authorized agent**

[An individual signing on behalf of a partnership or corporation must indicate position or relationship to debtor.]

*Penalty for making a false statement:* Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571

**FILED**  
UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
JUN 01 2005  
UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

In re:

NOLA, L.L.C.,

Debtor.

) Chapter 11  
) Case No. 05 B 16682  
)  
) Hon A. Benjamin Goldgar  
) United States Bankruptcy Judge  
)

**KENNETH S. GARDNER, CLERK**  
**PS REP. - DDS**

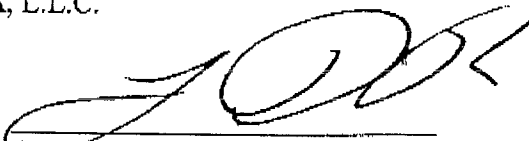
**NOTICE OF FILING**

To: Attached Service List

Please take notice that on June 1, 2005, the undersigned counsel filed with the Clerk of the United States Bankruptcy Court, Northern District of Illinois, Eastern Division the **Summary of Schedules, Schedules A, B, D, E, F, G, H; Declaration Concerning Debtor's Schedules; and Statement of Financial Affairs**, copies of which are herewith served upon you.

Respectfully submitted,  
NOLA, L.L.C.

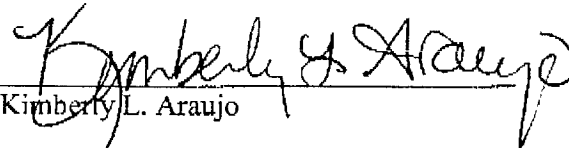
By:

  
One of its attorneys

Louis D. Bernstein (I.D. No. 6192379)  
Mark E. Leipold (I.D. No. 6194124)  
GOULD & RATNER  
222 North LaSalle Street, Suite 800  
Chicago, Illinois 60601  
Telephone: (312) 236-3003  
Facsimile: (312) 236-3241

**CERTIFICATE OF SERVICE**

I, Kimberly L. Araujo, a non-attorney, certify that I caused copies of the above and foregoing **Notice of Filing; Summary of Schedules, Schedules A, B, D, E, F, G, H; Declaration Concerning Debtor's Schedules; and Statement of Financial Affairs**, to be served upon persons named below by depositing same, properly addressed and postage prepaid, in the United States mail receptacle located at 222 North LaSalle Street, on the 1<sup>st</sup> day of June, 2005, before the hour of 5:00 p.m.

  
Kimberly L. Araujo

Ira Bodenstein  
Office of the U. S. Trustee, Region 11  
227 W Monroc St  
Suite 3350  
Chicago, IL 60606

Levenfeld Pearlstein, LLC  
Gary I. Blackman  
Christopher S. Griesmeyer  
2 N. LaSalle Street, Suite 1300  
Chicago, IL 60602

Jack Feltl & Company  
600 S. Highway 169  
Minneapolis, MN 55426

MJSK Investment Svc.  
c/o SIPC  
1201 Elm Street, Suite 3500  
Dallas, TX 75270

Robinson Curley & Clayton  
300 South Wacker Drive, Suite 1700  
Chicago, IL 60606

South Beach Securities, Inc.  
300 South Wacker, Suite 1700  
Chicago, IL 60606



**United States Bankruptcy Court**  
Northern District of Illinois

In re NOLA LLC

Debtor

Case No. 05-16682Chapter 11

**FILED**  
UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS

**SUMMARY OF SCHEDULES**

Indicate as to each schedule whether that schedule is attached and state the number of pages in each. Report the amounts from Schedules A, B, D, E, F, I, and J in the boxes provided. Add the amounts from Schedules A and B to determine the total amount of the debtor's assets. Add the amounts from Schedules D, E, and F to determine the total amount of the debtor's liabilities.

JUL 19 2005  
KENNETH S. GARDNER, CLERK  
PS REP. - DDB

			AMOUNTS SCHEDULED		
NAME OF SCHEDULE	ATTACHED (YES/NO)	NO. OF SHEETS	ASSETS	LIABILITIES	OTHER
A - Real Property	Yes	1	0.00		
B - Personal Property	Yes	3	0.00		
C - Property Claimed as Exempt	No	0			
D - Creditors Holding Secured Claims	Yes	1		0.00	
E - Creditors Holding Unsecured Priority Claims	Yes	1		0.00	
F - Creditors Holding Unsecured Nonpriority Claims	Yes	2		8,217,873.02	
G - Executory Contracts and Unexpired Leases	Yes	1			
H - Codebtors	Yes	1			
I - Current Income of Individual Debtor(s)	No	0			N/A
J - Current Expenditures of Individual Debtor(s)	No	0			N/A
Total Number of Sheets of ALL Schedules		10			
Total Assets			0.00		
Total Liabilities				8,217,873.02	